

SENATE BILL 3356

By Burchett

AN ACT to amend Tennessee Code Annotated, Title 39;  
Title 47 and Title 62, relative to contractors.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 62, Chapter 6, Part 1, is amended by adding the following as a new section thereto:

62-6-139.

(a) It is an offense for any person who receives money for the purpose of obtaining or paying for services, labor, materials or equipment and knowingly fails to apply such money for such purpose by either knowingly failing to complete the improvements for which funds were provided or knowingly failing to pay for services, labor, materials or equipment provided incident to such construction, and wrongfully diverts the funds to a use other than that for which the funds were received.

(b) A violation of this section is a Class E felony.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.